

Board for Licensing Contractors

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<http://tn.gov/commerce/boards/contractors/>

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- **BECOMING LICENSED**

Q. Who is required to be licensed?

The Board regulates various professions and the requirement depends on the dollar amount of the total project; and if the total cost or contract is less than \$25,000, it depends on the county:

The following types of licenses are required, from our Board, as follows:

1. *Contractors (\$25,000 and up)*
2. *Home Improvement (\$3,000 to \$24,999)*
3. *Limited Licensed Electrician (LLE)(Less than \$25,000)*
4. *Limited Licensed Plumber (LLP) (Less than \$25,000)*
5. *Pre-licensed Exam Course Providers (Workshops and Online)*

1. CONTRACTORS

A contractor's license is required when the total cost of the project is **\$25,000 or more**, and required prior to offering to engage (bid or contract). Contractors bidding directly to the owner are defined as the prime (general); and subcontractors are those bidding directly to a licensed prime contractor. There are a various types of contractors: residential, commercial, industrial building; electrical; plumbing; HVAC; mechanical; municipal utility; specialties; environmental; subcategories, such as: solar panel installation; landscaping; audio video/low voltage, etc. (see the ["Contractor Classification Outline"](#) on the

website for more contractor classifications.

Contracting is defined under T.C.A. § 62-6-102 as: performs or causes to be performed activities, undertaking to, attempts to, or submits a price or bid or offers to construct, supervise, superintend, oversee, schedule, direct, or in any manner assume charge of the construction, alteration, repair, improvement, movement, demolition, putting up, tearing down, or furnishing labor to install material or equipment for any building, highway, road, railroad, sewer, grading, excavation, pipeline, public utility structure, project development, housing, housing development, improvement, or any other construction undertaking, where the total cost is \$25,000 or more. Contracts and projects cannot be split into phases.

Summary

A contractor's license is required for any of the following:

- **\$25,000 or more** for any project contracted directly to the owner (prime contractor);
- **Subcontractors** who perform **\$25,000 or more** in electrical, mechanical, plumbing and HVAC projects, must obtain a contractor's license;
- **Construction Management** of any kind, where the value of the project is \$25,000 or more. (See § T.C.A. 62-6-102)

Contractors are issued a license with a **classification** and **monetary limit** designated.

For projects less than \$25,000, review the information for "[Home Improvement](#)"; "[Limited Licensed Electricians](#)" or "[Limited Licensed Plumbers](#)". If your profession is not listed under these categories, you may check with the [Division of Regulatory Boards](#) for other programs within the Department of Commerce and Insurance.

Contractor License Exemptions

Homeowner - A contractor's license is not required by the homeowner building their own house for their own use, as long as:

- It is not for sale, lease or rent;
- They have not built one in the last two (2) years;
 - However, if the homeowner hires anyone to build the house, these are considered prime contractors who are required to be licensed for any portion where the total cost is \$25,000 or more.

Individual Use – A contractor’s license is not required by any person or firm who builds on their own land, a structure, such as a storage building, for their own individual use and if it is:

- Not be open to the public; or
- For sale, lease or rent.
 - However, should someone be hired to build the structure, these hired are considered prime contractors who are required to be licensed for any portion where the total cost is \$25,000 or more.

Federal – Projects which are 100% federally funded and on federal land, are not within the jurisdiction of State government. Must check with the awarding authority for their requirements, which may require a state contractor’s license.

Department of Transportation – Bids let by the Tennessee Department of Transportation (TDOT) are not required to be licensed by our Board, but must register and prequalify with TDOT.

Local Government and Municipalities – Are considered political subdivisions and may perform work using their own employees on their own property, without obtaining a contractor’s license. However, if anyone or an entity is hired for the purposes to perform or oversee construction, they must be properly licensed as a contractor. More requirements, not defined under our law, such as public bidding, bonding, etc., is also required by public entities. More information is available in the “Law, Rules and Regulations” section of our website and under the Attorney General’s opinion.

How do I obtain a license?

The following types of licenses are regulated by our Board:

1. Contractors
2. Home Improvement
3. Limited Licensed Electrician
4. Limited Licensed Plumber
5. Pre-licensed Exam Course Providers

1. Contractors – How to Obtain

A state contractor’s license is required by an individual or entity for projects **\$25,000 and up**. The license is obtained in the name of the entity providing the financial statement. Therefore, it may be a sole proprietor, corporation, partnership, or LLC. The license does not necessarily belong to the qualifying agent, unless they are also the owner. It takes approximately six (6) weeks to obtain a contractor’s license since it requires Board approval from one of their six annual meetings, as listed on the Board’s “Calendar” on the website.

HOW TO BECOME A LICENSED CONTRACTOR - detailed steps are located in the application which is on our website at:

<http://tennessee.gov/commerce/boards/contractors/>

Obtaining a license requires the following:

- Application Fee - \$250.00
- Exam(s) - Register and pass the "Business and Law" examination (and any applicable "Trade" examination) by registering with PSI at: <http://www.psiexams.com/> (You may review a list of trade exams with PSI or from the Board's "Contractors Classification Outline" from the Rule 0680-1-.16.
 - [Reciprocation](#) is an exam waiver of the trade exam, only. (Must take the Business and Law exam, as well as, complete all the application requirements above.)
 - Exam waiver agreements exist with some of the licensing boards in Arkansas, Alabama, Louisiana, Mississippi, North Carolina and South Carolina (not all agencies within these states reciprocate due to their local codes and trades licensing; check the application for more details). In addition, some trade exams, such as electrical and mechanical, with local municipalities in Tennessee may qualify.
- Financial Statement – Must be prepared by a licensed Certified Public Accountant (CPA or PA). A "Reviewed" opinion is required for limits of \$1,500,000 or less; an "Audited" opinion is required for limits exceeding \$1,500,000; (more information on [Financial Statement](#) requirements are available in the application and website.)
- Reference – Form is in the application an may submit a letter from a past client, former employer, or a codes official;
- Insurance - Proof of General Liability; and Workers Compensation Insurance; if you have an employee; (more information on [Insurance](#) is available in the application)
- Corporations and Limited Liability Companies (LLC) - Must register with the Tennessee Secretary of State, who may be contacted at (615) 741-2286 or <http://www.state.tn.us/sos/> and include a copy of their charter or articles with the license application.

- Board Review - Applications for licenses may only be granted by the Board, and they meet during the months of January, March, May, July, September, and in November.
 - A personal interview is not required, unless it is for BC-A/r [restricted residential limited license for \$70,000]; or if the owner did not take the exam and the employee (qualifying agent) has been employed less than six (6) months; or if you checked "HAS" on the contractor's affidavit regarding felony, complaints, etc. The Board meets primarily in Nashville, however, they are required to meet in Memphis and Knoxville at least once.
 - Note: Licenses are only approved for issuance after the full Board meets. If your interview is waived, the license is still issued the same time as those who appeared for a personal interview.
- Deadline date to submit an application for the next Board meeting, to obtain a license, is the 20th day of the month prior to the Board meeting. Example: If Board meets in July, deadline will be June 20th or next business day, if on a weekend or holiday.

The application (and other forms) may be downloaded from our website at: <http://tn.gov/commerce/boards/contractors/> Or you may contact our office at 800-544-7693 to leave a message for a contractor's license application to be mailed. Listen to the menu prompt, and leave your name and address on the recording. Specify the type of application you want or you may fax your request at (615) 532-2868 or email your request to staff located in the staff directory on the ["Contact Information"](#).

You will need to identify the license classification to be designated on your license and you may check the ["Contractor Classifications Outline"](#) in the application or on our website; an outline of exams are in the ["Candidate Information Bulletin"](#) for tested classifications. These have been compiled from our rules and regulations (section 0680-1-.16).

For example, to build houses, a residential building license is required and the residential building trade exam (BC-A) would be needed. Areas which do not have testing usually fall within a specialty area, and may be identified on your license as, for example: S-Telecommunications Equipment; S-Cell Towers; S-Equipment Installation; S-Tree Trimming; S-Audio Visual Installation, S-Solar Panel Installation, etc.

The only trade exams are: Building (residential, commercial, and industrial); Mechanical (plumbing, HVAC/refrigeration, fire sprinklers); and Electrical (above

70 volts); these are to obtain a classification to perform projects in excess of \$25,000. In addition to the trade exam, all contractors must take the “Business and Law” exam. The board prefers to see a list of at least three (3) years experience. Listing less experience does not preclude you from obtaining a license, but it may cause you to obtain a lesser monetary limit than requested.

Q. How long will it take to process my application?

The following are approximate timelines on processing license applications received by our office, where all information is complete:

1. Contractors – Six (6) Weeks

- i. Applications require full Board approval; they are not approved by staff.
- ii. Board meets during the months of January, March, May, July, September and November (see [“Calendar”](#) on the website. Some applicants are required to attend the meeting for an interview (see application instructions).
- iii. Deadline date to submit application is the 20th of the month prior to the Board meeting.
- iv. Prior to submitting the application, must fulfill exam requirements and hiring a CPA to prepare a financial statement.
- v. Hardship Requests – for applicants, who have provided a hardship letter from the owner, may obtain a license within a week. (See website for [“Hardship”](#) criteria)

2. Home Improvement – One (1) Week *(No Exam Required)*

- i. Does not require Board approval, unless, there are felony convictions; complaints; or discrepancies with the application.
- ii. Applications are processed in order as received and there is not a deadline date.

3. Limited Licensed Electrician – One (1) Week

- i. Does not require Board approval, unless, there is a request to waive the trade exam for a reinstatement; or there are felony convictions, complaints, or discrepancies with the application.
- ii. Applications are processed in order as received and there is not a deadline date.

4. Limited Licensed Plumber (LLP) - One (1) Week

- i. Does not require Board approval, unless, there is a request to waive the trade exam for a reinstatement; or

- there are felony convictions, complaints, or discrepancies with the application.
- ii. Applications are processed in order as received and there is not a deadline date.

If an exam is required, how do I apply for licensing exam?

The Board's exam vendor is PSI and these exams are required to obtain a new license; or to add a classification to an existing contractor's license (revision), for the following licenses:

- 1) Contractor
- 2) Limited Licensed Electrician (LLE)
- 3) Limited Licensed Plumber (LLP)

1. Contractor Exams

A "Business and Law" examination and also a "Trade" examination (if applicable) are required to obtain a "Contractor's" license. You may apply to take the exam by registering with PSI (the state's contracted exam vendor) by scheduling an appointment online at: <http://www.psiexams.com/> or contacting them by phone at: 800-733-9267. You may review the "Candidate Information Bulletin" from our website and also there is an outline of the trade exams from the Board's ["Contractors Classification Outline"](#) on the website (compiled from Rule 0680-1-.16.). [Pre-approval](#) to take an exam is only required for the plumbing (CMC or CMC-A) trade exam.

- [Reciprocation](#) is an exam waiver of the trade exam, only, for Contractors license. (Must take the "Business and Law" exam, as well as, complete all the application requirements above.)
- Exam waiver agreements exist with some of the licensing boards in Arkansas, Alabama, Louisiana, Mississippi, North Carolina and South Carolina (not all agencies within these states reciprocate due to their local codes and trades licensing; check the application for more details). In addition, some trade exams, such as electrical and mechanical, with local municipalities in Tennessee may qualify.

For example, to build houses, a residential building license is required and the residential building exam (BC-A) would be needed. The only trade exams are: Building (residential, commercial, and industrial); Mechanical (plumbing,

HVAC/refrigeration, fire sprinklers); and Electrical (above 70 volts), and this is to hold a classification to perform projects in excess of \$25,000. Areas which do not have trade exams usually fall within a specialty area (S-Telecommunications Equipment; S-Cell Towers; etc.)

Exams are open book and a list is available in the "[Candidate Information Bulletin](#)" for Contractors is on our website or you may review the outline and register online with [PSI](#). In addition, the website contains information on bookstores offering exam materials.

2) Limited Licensed Electrician (LLE) Exam – "[Candidate Information Bulletin for LLE](#)" is on the website (*Note: The "Business & Law" is not required for LLE licenses*). Exams are open book and a list is available the website and contains information on bookstores offering study materials.

3) Limited Licensed Plumber (LLP) Exam – "[Candidate Information Bulletin for LLP](#)" is on the website (*Note: The "Business & Law" is not required for LLP licenses*). Exams are open book and a list is available the website and contains information on bookstores offering study materials.

Bookstores for Exam Publication Resources

[PSI](#)

[NASCLA](#)

Is the licensing exam schedule online? May I sign up online?

Yes, you may schedule the exam online. There is not a preset schedule; as exams are scheduled by appointment, and you should never have to wait more than 14 days to get a date. You may schedule an appointment online at: <http://www.psiexams.com/> Scheduling requires using your social security number.

Exams are offered in several cities in Tennessee, including: Nashville, Knoxville, Memphis, Chattanooga, Jackson and Johnson City. In addition, PSI also has test sites in over 26 states. Those out of state may request by special accommodations to take the Tennessee exams in a state closer to them. Those with disabilities may also request special accommodations.

The exams cost ranges from \$38.00 to \$44.00 for each exam. More information on the exam appointments, fees, locations, etc., is available on our website under the "Exam" heading or in PSI's "Candidate Information Bulletin". There is not a limit on how many times you may take the exam as long as you follow PSI's guidelines.

Q. I passed my exam, what do I do next?

The exam is only one part of obtaining a license. You will need to attach a photocopy of your exam score(s) to your license application and complete all the licensing requirements. (Scores are given the same day as tested.)

I am licensed in another state and want to operate in Tennessee. Do you have reciprocity agreements with other states? Which states?

A Tennessee license is required. [Reciprocation](#) as a trade exam waiver, with the following states exist for the Contractor's; must still take the Tennessee "Business and Law" exam, as well as, complete all the application requirements.

The exam waiver requires that you are currently licensed by one of the Boards in the following states: Alabama (building, HVAC and electrical); Arkansas; Louisiana; Mississippi; North Carolina (residential and commercial, only); or South Carolina. Not all agencies within these states reciprocate due to their local codes and trades licensing. The state where you are licensed must complete the "License Verification" form located in the contractor's license application.

In addition, many local trade exams, such as the electrical and mechanical with local municipalities (Nashville, Knoxville, Oak Ridge, etc.) in Tennessee, may be acceptable; must provide proof by having a letter stating their exam is comparable to Tennessee's and was proctored.

Are examinations required to obtain a license?

Yes, the "Business and Law" exam is required by all new applicants for a "Contractor" license. Also, a "trade" exam may be required; such as: "Building" (Residential, Commercial or Industrial); "Electrical" and "Mechanical" (plumbing, HVAC/refrigeration, Fire Sprinkler). More information relative to exams and classifications is listed on website on the "Outline of License Classifications" and also in the exam information in the "Candidate Information Bulletin" prepared by PSI, our exam vendor.

Not all contractor professions require a trade exam. For example, those performing "roofing, landscaping, excavation, audio video installation, solar panel installation, etc., there is not a trade exam. Exams are provided by PSI at: <http://candidate.psiexams.com/>

Other trade license exams, regulated by the board, for projects less than \$25,000, are as follows:

Limited Licensed Electricians (LLE) - 40 question LLE exam, but not the “Business and Law”.

Limited Licensed Plumbers (LLP) - 40 question exam, but not the “Business and Law”.

Home Improvement licenses do not require an exam.

May more than one (1) exam be taken in a day?

Yes, you may register to take more than one exam in a day. However, check to see if you may be given a lunch break in-between. After taking one exam, the next exam may automatically start. When calling or registering with PSI to schedule an exam appointment, you are required to give them your social security number. It is encouraged to register online with PSI at: <http://candidate.psiexams.com/>

Where do you obtain the books to take the exams?

The exams are offered by PSI and are open book exams. Inside the “Candidate Information Bulletin (CIB)” which is listed on our website at the exam information, the CIB has a list of books and references used to develop the exam. There is also a list of books you may purchase from them or you may purchase from other bookstores. Typically, a new version of the Codes book may be used in lieu of the older version used to develop the exam.

Can you walk-in to take the exam at any of the sites in Tennessee?

No. You must contact PSI to schedule to take the exam by appointment, only; no walk-ins.

If you are out-of-state, do you have to come to Tennessee to take the exam?

No. You may contact PSI to schedule with “special accommodations” to take the Tennessee exam in another state. They have over 26 sites.

How old are the exams acceptable? How long are the exams scores good, until required to retake?

If you do not apply for a license right away, exams are generally good for two (2) years. More, if you are active in the construction industry. You may submit a written request the board to accept scores after two years, when turning in your license application.

Do you have to be preapproved to take a trade exam prior to registering with PSI?

Only the Plumbing/Mechanical trade exam requires preapproval; the Plumbing (CMC or CMC-A) or full mechanical exam requires the preapproval process, which is performed quickly by our office. Information is available on our main website at the "Forms and Downloads" at the "Exam Preapproval Request" form and it is also in the CIB. Plumbers must provide proof of three (3) years experience in order to be approved or have an engineering degree in plumbing or mechanical.

May the person taking the exam (qualifying agent) be listed or designated on more than one license?

Yes, if they are an owner, they may be listed on more than one license. The qualifying agent must be an owner or full time employee. As a full time employee, they cannot be added to more than one license, unless they are a majority ownership of at least 20% on one of the licenses. This will allow the qualifying agent, who is a full time employee for another licensee, to also obtain a license as an owner, in order to perform projects aside from his full time employment.

Qualifying agents, who are not an owner of the entity applying for the license, must be interviewed at the Board meeting, if they have been employed less than six (6) months or listed on more than two licenses.

Is the qualifying agent considered the owner of the license?

No. The entity providing the financial statement is the owner. If the qualifying agent is only a full time employee and lacks majority ownership, the license belongs to the entity and they have 90 days to replace, should the QA leave employment. The trade exam would be required, only; and not the Business and Law exam, to replace or add a qualifying agent. After 90 days, if a new QA has not been designated, the license classification is removed from the license. If

they were the sole QA covering all classes, the license will be made invalid with a status of "Needs QA". After the license expiration of 12 months, the license cannot be renewed.

For classifications which do not require a trade exam, the new QA must supply a resume of experience, and if applicable, provide environmental training certificates for specialty classifications.

May a contractor use a cram school to prepare to take the exam?

It is not a requirement (or recommended) to go to a Pre-licensing preparation school to cram for the exams, as exams are open book. However, if you choose to do so, these schools are required to be approved by the Board and are listed on our website.

Pre-licensing contractor examination course providers are regulated by the Board and required to be licensed prior to offering classes to take the contractors exams. A list of these providers is located on the website.

These course providers may not: 1) Guarantee you will pass the exam; 2) Offer financial statement advice or refer you to a CPA/PA; 3) Offer insurance; 4) Ensure the class has adequate space and seating; 5) Cannot provide actual questions from the contractor's exam; or 6) Entice students to purchase unnecessary course materials or classes where the contractor does not need or is experienced.

If you've taken a course and the laws, rules and regulations have been violated, you may submit a written complaint. (See the "Law and Rules" section on the web and review under T.C.A. 62-6-138 and Rule 0680-5, for further information.)

2. HOME IMPROVEMENT LICENSE

The Home Improvement license is required to perform remodeling in the following eight (8) counties: Bradley, Davidson, Haywood, Hamilton, Knox, Robertson, Rutherford, and Shelby, where the cost is more than **\$3,000 to less than \$25,000** (\$25,000 and up require a "Contractor" license), to existing residential homes. It is required to repair, replace, remodel, alter, conversion, modernization, improvement, or addition to any land or building, such as, driveways, swimming pools, porches, garages, landscaping, fences, fall-out shelters, roofing, painting, [**lead-based paint](#) abatement and other improvements adjacent to the dwelling. Each location of the home improvement business would need a license for every site, unless they hold a contractor's license.

Home improvement does not cover electrical, plumbing or *HVAC. You must check with the local jurisdiction for their requirements, permits and inspections. This may include obtaining the State's LLE (Limited Licensed Electricians) or LLP (Limited Licensed Plumber) license; there is not a state *HVAC license for small projects less than \$25,000. The contractor's license is required for these classifications for projects \$25,000 or more!

**HVAC (heating ventilation and air conditioning) contractors may be regulated at the local level. If not, the Home Improvement license will be required in that county in order to perform HVAC (See § T.C.A. 62-6-503).*

The Home Improvement law recently merged with the Contractor's Board. Any county may choose to [adopt the law](#) and more information is available on the website.

Home Improvement – How to Obtain

No Exam Required for Home Improvement Licenses

1. Application fee of **\$250.00** (two (2) year license)
2. Attach an original proof of financial responsibility in the amount of **\$10,000** in ONE of the following forms (the license is issued in the exact name of the company or individual as on the bond): **Surety Bond** with written Power of Attorney attached; or Cash Bond; or Property Bond; or Irrevocable Letter of Credit (ILOC). Note: Bonds and ILOC's cannot be released for one (1) year!
3. Please submit proof of **Insurance**; workers compensation and general liability in the minimum amount of \$100,000.
4. Please allow 5 to 7 business days for mail delivery to our State office.
You may check status of license issuance at: <http://licsrch.state.tn.us/>

See complete instructions from the [Home Improvement](#) website at:

Download the [Home Improvement Application](#) [pdf]

Felony Conviction/ Judgements / Disclosure

Conviction does not preclude someone from licensing; however, it does require the Board's approval. If you have been convicted of a felony in any jurisdiction (Tennessee or any state); or if you have had disciplinary action against another professional or trade license, you must attach a statement explaining the details of the conviction, charging document, the disposition and proof of any sentence

or court order and release of probation. Before a license is granted to anyone with a conviction, they may be required to appear before the Board which meets at least six (6) times annually. The Board is charged with protecting the safety and welfare of the public and they will judge each individual case on its own merit.

The law requires disclosure of felonies, as well as any court litigation and judgements relative to home improvement. A license is not automatically denied due to judgements and convictions, however, failure to disclose is a violation of law and a civil penalty may be assessed for not providing true and correct information, such as the license denied or revoked.

License Issuance

Upon approval of your completed application, a permanent license will be mailed. Applications submitted correctly and complete, take less than a week to issue; please allow 5 to 7 business days for mail. Please display your license in a noticeable place at your business location and list your license I.D. number in advertisements. Never require the consumer to pay for the project prior to completion. The law allows 1/3 down payment to begin the project. [Contracts](#) must be in writing. Renew license annually (soon to change to two year renewal cycle); cannot be renewed if expired in excess of 90 days and would need to reapply. License is considered invalid upon bond cancellation. This license is for projects where the total cost or contract is more than \$3,000 to less than \$25,000 (\$25,000 projects require a "Contractor" license) and it does not cover electrical, gas, mechanical, *HVAC or plumbing, where separate trade licenses are required. If you are a corporation, LLC or Limited Partnership, always ensure you are actively registered with the [Tennessee Secretary of State](#). You should receive a license renewal within 90 days of expiration. However, you must notify the Board of any address change, as state mail is not forwarded. If you do not receive a renewal in the mail, you may download from the website at:

**HVAC contractors may be regulated at the local level and if not, the Home Improvement license will be required in order to perform HVAC. (See T.C.A. 62-6-503)*

Bonds / Irrevocable Letter of Credits (ILOC)

A home improvement contractor's bond or ILOC filed with our Board for obtaining and renewing a license cannot be released to the contractor for a period of 12 months after the license has expired; or until after the initial request, to replace/withdraw. This is to cover all prior projects should consumers have a claim. Therefore, if providing a cash or property bond, please keep this in mind. The bond is public information and consumers may request to file against the bond from a judgment.

3. LIMITED LICENSED ELECTRICIAN (LLE)

This state license is only required for electricians where the total cost is **LESS THAN \$25,000** and if they are working in a municipality where there is not a local license agency for inspections; the State Fire Marshal's office with the Division of Fire Protection performs these inspections for local government having no codes inspectors. A contractor's license with a CE classification is exempt from the LLE; but not exempt from local license/permit fees or inspections. Instructions to obtaining a [LLE](#) license is in the application on our website in the "Forms and Downloads".

To make sure of the type of license needed for projects less than \$25,000, you must check with the local government; contact information for local government is at: <http://www.tennesseeanytime.org/local/index.html> or check with the local power company for their local licensing, permit and inspection requirements. Some may require you to take their electrical exam, unless you have a CE contractor's license. The LLE is not accepted where the local jurisdiction has licensing and inspections already in place, such as the following: Davidson (Nashville); Hamilton (Chattanooga); Knox (Knoxville); Shelby (Memphis); etc.

Local License (City/County from each municipality)

The local license is required regardless of the amount of the project, in areas where there is a codes office. When there is not a local codes office, you would check with the county, such as the power company, for locations of the permit offices. Local licenses with codes is typically referred to as journeyman/master, etc. Every jurisdiction is different, and you must adhere to their local requirements. If you have a state contractors CE license, you will not be required to take their local electrical exam, but will need to pay their fees. Those who work in counties having a codes office which performs their own inspections (such as Davidson, Hamilton, Knox, Shelby, etc.), licensing and testing, the LLE is not accepted. Please contact your local codes for their requirements.

Contact information for local government is at:
<http://www.tennesseeanytime.org/local/index.html> or check with the local power company.

More information on obtaining a [Limited Licensed Electrician \(LLE\)](#) license is on the website.

4. LIMITED LICENSED PLUMBER (LLP)

The [Limited Licensed Plumber \(LLP\)](#) license is required for projects less than \$25,000 in municipalities where there are no local plumbing licensing agencies and inspections (except for the 15 *exempt counties). Plumbing work is defined

as the construction, alteration, repair, improvement, movement, demolition, putting up, tearing down, or furnishing labor to install material or equipment within any residential or commercial building of all piping, fixtures, and appliances for the supply of gas, water, liquids or disposal of waster water or sewage; provided, that there is no intent to require licensure under this part for plumbing work performed outside a residential or commercial building, including but not limited to utility connections or irrigation systems.

LLP License Exemptions

- A State licensed plumbing contractor, with a CMC-A, MC-A, CMC, or MC classification is exempt from the LLP requirement;
- Modular home installer or retailer licensees performing plumbing work on a modular unit, in connection with a manufacturer's warranty;
- Employed as a plumber with a State licensed plumber or contractor;
- Homeowner may perform plumbing on their own residence;
- Appliance hook-ups have exemptions, where the cost of labor is less than \$500;
- Locally licensed as a plumber within the county, city or municipality where performing plumbing work; (the LLP is not accepted); or
- Working in any of the 15 exempt *counties where the LLP is not required
*Exempt Counties: Benton, Decatur, Dickson, Giles, Henderson, Henry, Hickman, Humphreys, Lake, Lawrence, Lewis, Obion, Perry, Stewart and Weakley.

Note: A limited licensed plumber (LLP) may not use the appellation term "contractor" unless they hold a contractor's license!

Inspections and permits are not currently available in all municipalities. Effective January 1, 2011, the State will perform these inspections.

How to Become a Limited Licensed Plumber (LLP)

The Limited Licensed Plumber (LLP) license is required for projects less than \$25,000 in municipalities where there are no local plumbing licensing agencies and inspections (except for the 15 *exempt counties).

Plumbing work is defined as the construction, alteration, repair, improvement, movement, demolition, putting up, tearing down, or furnishing labor to install material or equipment within any residential or commercial building of all piping, fixtures, and appliances for the supply of gas, water, liquids or disposal of waster water or sewage; provided, that there is no intent to require licensure under this part for plumbing work performed outside a residential or commercial building, including but not limited to utility connections or irrigation systems.

For questions concerning obtaining a LLP license, you may call the staff at: (615) 532-3994 or by email at: [LLP Section](#).

Exemptions

- A State licensed plumbing contractor, with a CMC-A, MC-A, CMC, or MC classification is exempt from the LLP requirement;
- Modular home installer or retailer licensees performing plumbing work on a modular unit, in connection with a manufacturer's warranty;
- Employed as a plumber with a State licensed plumber or contractor;
- Licensed as a plumber within the county or municipality where performing plumbing work;
Homeowner may perform plumbing on their own residence; or
- Working in any of the 15 exempt *counties where the LLP is not required
- *Exempt Counties: Benton, Decatur, Dickson, Giles, Henderson, Henry, Hickman,
Humphreys, Lake, Lawrence, Lewis, Obion, Perry, Stewart and Weakley

Note: A limited licensed plumber (LLP) may not use the appellation term "contractor" unless they hold a contractor's license! Application

Fire Protection – Fire Sprinkler Systems

Those performing work on fire protection and fire sprinkler systems, must register with the Tennessee Division of Fire Protection. More information may be obtained from their website at: <http://www.state.tn.us/commerce/sfm/>

PRELICENSED COURSE PROVIDERS

Pre-licensing course providers for schools offering any type of contractor's exam preparation courses (online, workshops, etc.,) must be licensed by the Board for Licensing Contractors, first, or will be subject to disciplinary action. Approval is granted for three (3) years. These classes are not required. However, for those wishing to take a cram course, these are available and there is a list on the website of approved providers. Note: The exam is only offered by the Board's current vendor, PSI. More information relative to ["Prelicensed Course Providers"](#) is on our website.

CHANGES IN LICENSE STATUS:

How do I renew a license?

- [Contractors](#)
- [Home Improvement](#)
- [Limited Licensed Electricians \(LLE\)](#)
- [Limited Licensed Plumbers \(LLP\)](#)
- [Pre-licensed Exam Course Providers](#)

Contractor

Renewal notices are mailed 90 days prior to the license expiration date, at the address listed on file. If you have moved, state mail is not forwarded to the new address. If you have not received your renewal, please contact our office at 1-800-544-7693 to have a renewal form mailed to you or you may download a blank renewal form from our website. "Online" renewals are not available for our licensees. You may check the status of your license renewal at:

<http://licsrch.state.tn.us>

It takes approximately 30 days to process a renewal (if submitted correctly and complete). State mail delivery takes 5 to 7 business days to reach our office and the statute requires the renewal to be received in our office 30 days prior to the expiration date, to prevent the contractor from working unlicensed.

Renewals requirements for Contractors:

- Complete the "Notice of Renewal" and have signature notarized.
- Due date for us to receive your renewal is 30 days prior to the expiration date (to prevent contractors from being expired and unable to work).
- Renewal fee is \$200.00 for two (2) years; \$20 per month late fee, not to exceed 12 months.
- A contractor's license cannot be renewed if expired 12 months or more. After 12 months, must complete the contractor's license application for reinstatement.
- A current financial statement (12 months); must be in the name as licensed, and shows enough working capital and net worth to support monetary limit. A CPA is required to prepare financial statements where the monetary limit is more than \$1,500,000, only, and does not have to be an "Audit" as required for first time licensing and revisions; "Reviewed" is acceptable. Contractor's with a limit less than \$1,500,000 may prepare their own statement. For corporations with a different year end as from their expiration date, they need to request in writing to use past statement until their CPA has finalized. Unfortunately, the expiration date cannot be changed to correlate with year-end.
- Proof of insurance (general liability and workers compensation).
- Corporations and LLCs must ensure they are active with the Secretary of State.

Once your license expires, there is not a grace period and you are not legal to contract or permit projects. The status on the website will change to “Delinquent” for 12 months, while you have renewal rights. Renewals are processed in the order as received, and usually take 30 days to process and issue (if it is submitted complete and accurate). Those renewals filed incomplete will not be issued until the contractor has submitted the lacking information. Contractors failing to complete the renewal process within 12 months. You may check the status of your renewal at: <http://licsrch.state.tn.us>

How far in advance of expiration date should my renewal be completed?

30 days; the law requires the renewal to be received by the board within 30 days of the expiration date. Please allow 5 to 7 business days for mail delivery. Late fees are not applied until after the expiration date. The Board relies on the date of receipt; not the post-mark date. Therefore, if a license expires on 9/30/2009; a late fee will be generated on 10/01/2009. The status on the website will reflect “Delinquent” until the license process is finalized and is issued; after 12 months, the status changes to “Failed to Renew”. You may check the status from our website at the “License Search” or directly at: <http://licsrch.state.tn.us>

I let my license expire. How do I have it reinstated?

Each license has different renewal rights and late fees. There is not a grace period and not legal to perform work after the license expires. After the license expires, the status will reflect as “Delinquent” until issued, if renewed prior to losing renewal rights. After the loss of renewal rights, the status reflects to “Failed to Renew” on the website. At that time, you will be required to file for a reinstatement through the new license application process and fulfill the same requirements. On page one (1) of the new application, check “Reinstatement” and the same license number will be reissued.

Contractor - The late fee is **\$20.00** per month for “Contractor’s” licenses; after **12 months**, lose renewal rights. The **exams** are not required to be retaken, as long as the license has not been expired more than two years (24 months). After two years, the contractor may request in writing to waive the exams if they have remained active in the construction industry by working in another state, or as a subcontractor or for another licensed contractor. These instructions are included in the contractor new license application. Anytime a license is reinstated, the contractor may apply for the license in another name, mode of operation, and/or monetary limit, by listing the changes on the application. Be sure to check [“Reinstatement”](#) on the license application and list prior license ID number.

Home Improvement - Late fee is \$10 per month; after three (3) months, must reinstate through the new [HI application](#) process.

Limited Licensed Electricians - Late fee is \$10 per month; after three (3) months, must reinstate through the [LLE new application](#) process. Must re-take the LLE exam or request waiver by the Board. See the LLE Renewal information on the website.

Limited Licensed Plumbers – Late fee is \$5 per month; after three (3) months, must reinstate through the new application process. Must re-take the LLP exam or request waiver by the Board. See the [LLP application](#) and information on the website.

How do I retire my license?

Only the “Contractor’s” license has a means to retire. In lieu of renewing a “Contractor’s” license, you may retire by completing the “[Retirement Application](#)” with a \$25.00 fee for each year (no financial statement or insurance needed). If you send in prior to the expiration date, you will not be required to submit the renewal fee. If the license has expired, you would need to send in the renewal fee and any applicable late fees.

Should you renew the license and then place in retirement; renewal fees are non-refundable, however, you would be allowed to remove from retirement without repaying the renewal fee during that period.

The law allows a license to be retired annually for up to seven (7) years; must renew the retirement by paying \$25.00 for each year. After the seven years, the renewal fee would be required before replacing in retirement.

How do I reactivate my retired license?

If you retired the license prior to renewing, simply, complete the license renewal requirements. No exams are required to bring a license out of retirement.

If you had already fulfilled the renewal requirements and placed the license in retirement in order to cancel insurance, you would not be required to re-submit the renewal and may then only request the license to be reactivated. This “[Reinstatement from Retirement](#)” form is on the website in the “Forms and Download” revision section.

Can I change my license to inactive status?

There is not an “Inactive” status. A contractor with an active license status may “Retire” their license by completing the retirement process or if they are no longer doing business, they may have the status changed to “Withdrew” by supplying a written request. If you do not renew, the license will automatically be changed to “Delinquent” for 12 months (Contractors); Home Improvement, LLE and LLP will change to “Delinquent” for three (3) months; and then “Failed to Renewed” after 12 months. After one year, it will change to “Expired”.

How do I reactivate my inactive license?

There is not an “Inactive” status for contractors. A contractor has renewal rights for 12 months after the expiration date. After the 12 months, the contractor must reinstate through the new license process. A retired license must re-new the retirement annually to keep renewal rights or after 12 months, would not be able to renew. To reactivate from retirement, a contractor would need to simply complete the renewal process.

I recently updated my status. Why hasn't my status changed online?

The status on the license does not change until staff process and issue the license. Therefore, if the renewal was submitted late, the status will remain “Delinquent” until the license is actually processed. After license issuance, it typically takes 24 hours for the website to be updated. The status on the website may be checked at: <http://licsrch.state.tn.us/>

If you are unable to find the license, you may search by entering part of the mailing address in the search criteria. Licenses are issued to organizations and not always in the name of the owner; therefore, do not use the “First” name field when checking. For example, if the license is issued to “John Jones” and not Jones, John; consider checking the “Firm Name” field for “John”. Using the percentage sign, %, in front of the name will bring up all similar names. More [“Search Tips”](#) are on our website.

Note: Home Improvement, LLE and LLP licensees have only up to three (3) months to renew!

COMPLAINTS

How do I file a complaint against a company/individual?

A complaint may be reported against any of the professions we regulate. The complaint form may be downloaded from our website at the [“Consumer Resources”](#) section.

Upon receipt of the complaint, our staff and legal department will evaluate whether the Board has jurisdiction to take action. The Board addresses licensing law violation complaints. Consumer residential complaints without law violations may be referred to the Division of Consumer Affairs to offer mediation through the CHAMP (Consumer Homeowner Accountability and Mediation Program).

Once complaints are investigated, these are presented to the Board anonymously by our attorney (none of the parties are identified to the Board and they do not see the complaint); the attorney prepares a legal report of law violations and recommendations to assess civil penalties, fines, or take formal action to suspend or revoke the license.

Citations with an order to “Cease and Desist” may be issued for unlicensed activity reported and complaints may even be received anonymously. However, they must include the name, contact information, project details and location address in order for action to be taken and investigated.

CHAMP may list contractors failing to respond to a complaint on the [“Problem Contractor”](#) list. Disciplinary action is updated on our web after every Board meeting. In addition, our website has a list of revoked and suspended licenses. Open complaint cases or those closed without discipline are not listed on the website and you would need to contact our staff to check the complaint history of a contractor.

What happens after I file a complaint?

The process and details are available at the [“Consumer Resources”](#) of our website. Basically, the Complainant (Consumer/Person filing the Complaint) will receive an acknowledgement letter verifying receipt of the complaint and whether it will be transferred to CHAMP; or if it may remain with Legal for investigation.

Note: Details of the case while in the Legal Section are not public information. Notification on the status will not be sent until the case is "closed". Cases are considered “open” until: 1) the contractor pays the recommended penalty; 2) Appears for a Formal Hearing overseen by an Administrative Judge; or 3) Violations were not proven and Legal recommended dismissal. NOTE: During this process, the Board cannot prevent a licensee from working; and cannot hold the license or renewal issuance until the case is closed.

Respondent (Contractor or Trade Entity Regulated) will also be notified. Their notice is sent by certified mail with the complaint allegations and they are directed to respond in writing within ten (10) days of receipt (from the date the contractor receives notification from the Board). A copy of the complaint will be included in the notice to the contractor.

Legal Counsel will review all documentation after the time is up for a response from the Respondent, to the allegations, and they will determine the next course of action. This may require an inspection of the job site by an inspector or investigator, if necessary to prove violations in the case. You will not be contacted unless an inspection is needed to gather more evidence to prove the license law violations, or if you are needed as a witness for a formal hearing. (Formal hearings take approximately one year or more to process, depending on the docket amount of cases.)

What can the state do if I have a legitimate grievance?

The Board does not have the authority to award monetary damages, refund money, or force the contractor to make repairs and complete the project. They may assess discipline such as letters of warning/caution, citations, civil penalties, consent orders and in some cases, they may revoke or suspend the license through an adversarial formal hearing process with an Administrative Judge, pursuant to the Uniform Administrative Procedures Act. Anyone seeking to recover monetary remedies for injuries should consult a private attorney, as the Board has no jurisdiction over these matters. Further, the Board cannot hold the issuance of a license renewal until the respondent is given due process through the Uniform Administrative Procedures by a formal hearing. There is a compiled list of ["Consumer Interest Laws"](#) from our website, which may be helpful.

You would need to hire an attorney to take civil action. However, we encourage consumers to report complaints as a means for the Board to monitor these professions, and whether they should be entitled to keep their license. Also, this offers a means of public awareness to protect others from being harmed. Often, filing a complaint may offer a means to communicate a problem and resolve the issues. To receive a remedy or to be compensated for being wronged, you will need to hire an attorney to take civil action, as the Board does not have the authority to make these type judgments; they may only assess disciplinary action for license law violations under T.C.A. § 62-6-102. A judgment by the court may include revocation of the license, therefore, providing more authority than our Board, under § T.C.A. 62-6-118. Complaints with our office are not meant to have a bearing on civil proceedings, but to evaluate if disciplinary action is warranted by this Board made up of eight contractors and one public member.

Board review for discipline consists of cases presented anonymously to the Board at a regularly scheduled meeting, and they review the recommendations made by the Legal section, to determine the action. The Board will not have knowledge of the contractor's or complainant's name on the case; will not see the complaint information; and decisions are based upon the findings of licensing law violations determined.

Should Legal be able to prove violation, they may recommend a letter of warning for first time offenders or discipline in the form of a civil penalty or license suspension/revocation, usually at first in the form of a consent order. If the contractor rejects the consent order, and appeals these findings, we must hold a formal hearing under the Uniform Administrative Procedures Act and the contractor will be required to be represented by their attorney, with a hearing before an Administrative Law Judge. Contractors found guilty of the violations charged, may be responsible for hearing costs, in addition to any civil penalties assessed. After the time for appeals expires, the case is final, and closed by Legal. Their findings are released to the Board office for public information. Penalties not paid by the respondent may be referred to a Collection Agency.

More information is available on our website or the direct link at the [“Consumer Resources”](#) section.

CHANGE OF ADDRESS/OTHER KEY INFORMATION:

Am I required to notify the board if I change my address?

Yes, the law requires address changes to be submitted in writing within 30 days. State mail is not forwarded and the renewal form and license would not be delivered to the new address.

To report an address change, you may use the form on the website at the “Forms and Download” for [“Address Change”](#).

Am I required to notify the board if I change my firm’s address?

Yes, the law requires address changes to be submitted in writing within 30 days. State mail is not forwarded and the renewal form and license would not be delivered to the new address.

To report an address change, you may use the form on the website at the “Forms and Download” for [“Address Change”](#).

Can I change my information online?

No. Currently, the Board is not set up to report changes online. You may email the requests to the staff on the “Contact List” of the website or fax at (615) 532-2868; or mail the request. It is preferred to make the address change prior to the license expiring to avoid certificates issued being sent to the wrong address.

Training/Continuing Education

Is continuing education required?

No. The Board does not require continuing education on their licenses. Some programs, such as environmental licenses with the Department of Environment and Conservation may require. Therefore, you would be required as a condition of these licenses to keep abreast of current certifications.

Are courses available online?

The Board does not require continuing education. Therefore, they do not have any online courses.

Is there a list of approved courses, schools, trainers, etc., and how may I obtain a list?

The Board does not require continuing education. Therefore, they do not have any list of approved CEU providers. The Board only approves prep schools for those providing prelicensed courses to assist in taking the exams; these are not CEU providers.

Other Questions and Answers

How may I check or search if someone is licensed?

From the Board’s website at “License Search” or directly at: <http://licsrch.state.tn.us/> this allows for any entity within the Division of Regulatory Boards to be searched. A list of [“Search Tips”](#) is available on the website.

Our Board primarily licenses organizations/entities and not always as individuals. Therefore, it is programmed for the search to only bring up licenses in the names as licensed. If you search by the owner's name "John Jones" and they are licensed in a company name, such as "Jones Construction"; try searching by their street address. It is best to enter partial information; for example, if the address is: 500 James Robertson; only enter "500 James". This will bring up all licenses at this address; including those in other programs, unless you specify a profession.

Depending on the contractor's preference, some licenses are entered exactly as their name, such as: "John Jones" or could be "Jones, John"; therefore, try search by first name, "John" to bring up these licenses. If there is punctuation in the name (commas, dashes, etc.), the computer system may not pull up. You may also search by using the % sign with a partial name search.

Am I required to notify the board if my job status changes?

Yes. Several changes require board notification by law. The **Qualifying Agent (QA)** is required to notify the Board upon leaving; and a new QA must be designated by the licensed entity within 90 days, or the license classification for the license becomes invalid.

The entity is also required to notify the Board of any **changes in officers**. Whenever there is a **change in ownership**, where there is a majority change with a new stockholder, the contractor may be required to apply for a new contractor's license.

If the entity changes their **mode of operation**, they must apply for a transfer before operating in the new **name** or mode.

The revision forms to notify changes are on the website section of ["Forms and Download"](#).

How can I get the forms I need?

The revision forms to notify changes are on the website section of ["Forms and Download"](#).

How do I know when and where regulatory boards meet?

The ["Calendar"](#) on each of the Board's website lists the date, time and location of Board meetings.

Does this board have a newsletter to which I can subscribe?

The Board is in the process of publishing an electronic newsletter. You may subscribe at the ["Email Notifications"](#) site.

Is a license required before bidding? How long does it take to get a license?

Yes, a contractor's license is required prior to bidding for projects \$25,000 or more. It takes approximately six (6) weeks for the licensing process, since it must be approved by the Board at their regularly scheduled meetings. These dates and locations are listed on the website at the "Calendar".

The Board must approve applications and they meet every other month (January, March, May, July, September and November). The deadline to submit your application is the 20th of the month, prior to the next Board meeting. It must be received in the office by this date (not postmarked). Note: Mail takes 5 to 7 business days for delivery. For example, if the Board meets in July, the deadline would be June 20th. If this date is on a weekend or holiday, it would be on the next business day.

Is the qualifying agent (QA) person who took the contractor's exam, considered the owner of the license?

No. The entity providing the financial statement is the owner. The license is issued in the same name and mode of operation as the financial statement. If the name on the statement says, "John and Mary Jones"; the license will be issued in this name.

Are subcontractors required to be licensed?

Yes, some subcontractors are required to obtain a "Contractor's" license. Those bidding directly to the licensed prime (general) contractor are considered subcontractors. The only subcontractors required to obtain a license as a contractor, are those performing work in excess of \$25,000, for Electrical, Mechanical, Plumbing and HVAC, and required to obtain a Contractor's license prior to bidding.

Other subcontractors, such as: Roofing, masonry, flooring, landscaping, fencing, concrete, etc., are not required to be licensed unless they bid directly to the owner. Those bidding directly to the owner, are considered "prime" contractors and required to obtain a license for projects \$25,000 and more. This includes

individuals bidding directly to a homeowner who is overseeing the building of their own house and obtained the permit.

Are HVAC (Heating, Ventilating and Air Conditioning) contractors regulated by the Board for projects less than \$25,000?

Not unless it is in a county that has adopted the Home Improvement law and they do not have their own HVAC permit and licensing process. Most projects, where the cost is less than \$25,000, are regulated at the local level, and it would be best to contact the county where you plan to work. The Board does not have a special HVAC license for small projects, except for the "Home Improvement: license; and it is only required in certain counties. Local municipalities have their own requirements for a license or permit for inspections.

The Board has a CMC-C classification for HVAC contractors, which is required for projects in excess of \$25,000. CMC (full mechanical) also covers. For small HVAC projects please check with the local municipality for their license, permit and inspection requirements. Contact information for local government is at: <http://www.tennesseeanytime.org/local/index.html>

May a contractor bid while in the process of obtaining a contractor's license, or wait to see if they are awarded the bid, and then apply for a license?

No. Must hold a contractor's license BEFORE you offer a price, negotiate, contract, bid, etc. In fact, most bids require you to list the licensing information on the outside of the bid envelope or the bid will be rejected. Bidding without a license is a class A misdemeanor, subjects the violator to fines, and prohibits the contractor from participating on the project (removed). In addition, the contractor's license will be held *for six (6) months from the date the board learns of the violation.*

What if I have a chance to bid a job but my limit is not enough and the Board does not meet again for another month. Can I get a special review?

Possibly. If it is considered a "hardship" to the owner (not the contractor), and they may submit a written request for the contractor to have their license

application to be reviewed prior to the next meeting. Hardship information is on the website under the “Forms and Downloads” section.

The contractor must submit a complete license application (including exams passed, financial statement submitted, etc.) or revision request, with a hardship letter from an owner (not the contractor) and it must fully describe the hardship, details of the project; name of project, bid date, estimate of project and description of the hardship (why they need you to bid the job, such as, if there are not enough competitive bids; specialized services, whether it affects public safety, etc.)

The hardship license must be approved before submitting a bid or contracting. Please review the hardship information on the website for details at: <http://www.state.tn.us/commerce/boards/contractors/>

Does Tennessee reciprocate with other States?

A Tennessee license is required to bid and perform work, but there is a trade exam waiver agreement. The Tennessee “Business and Law” exam must be taken. Tennessee has exam waiver agreements with the following states: Alabama, Arkansas, Louisiana, Mississippi, North Carolina (Residential/Commercial), and South Carolina.

Contractors licensed with these states but are not domiciled/residents may not qualify to have the trade exam waived, unless they have taken an exam comparable with PSI’s (Tennessee) current exam. Contractors licensed in these states must also complete all of Tennessee’s licensing application process, which takes approximately six (6) weeks. Attach a copy of your trade exam score, the license verification form completed by your state, and submit with your completed application and Business & Law score.

Does the Board accept credit cards online?

No. The Board is not set up to accept credit cards for fees by phone or online. Any fees not mailed, and you choose to hand deliver, you may do so at the “Cashier’s Office” (*physically located at the same address as our “mailing address” and they are located at the Davy Crockett Tower*). The contractor license application fee is \$250.00 (*for a two year license*). The Board office cannot accept any fees at their physical location (*Andrew Johnson Tower*).

What does it cost to obtain a contractor’s license?

The application fee to us for a “contractor’s” is **\$250.00** for a two year license. In addition, other costs incurred are: Exams are less than \$45.00 each payable to PSI (*see information from PSI or the “Candidate Information Bulletin” exam information on our website*); the CPA/PA charges a fee for preparing financial statements; plus the cost of insurance for general liability and workers compensation.

Are contractors required to appear for a personal interview order to obtain a license?

Typically, no. The interview may be waived if the owner also acts as the “Qualifying Agent” (QA), the person who takes the exam. An interview may be waived if an owner of the entity obtaining the license takes the exam; or if a full time employee has been employed with the entity more than six (6) months and supply’s evidence, such as a tax form W-2 or check stub, and also must have a “Power of Attorney” form from the application completed. Then the interview may be waived. A letter would be sent about three weeks after receipt of the application notifying waiver of interview.

The personal appearance/interview would be required if the QA is someone other than an owner and has only been with the company less than six (6) months, then an interview is required; and an officer or owner would also need to appear.

An interview is also required if there are complaints or outstanding judgments; felony convictions; bankruptcy; or lack of experience; and those who took the BC-A/r course (limited restricted residential license) in lieu of the exams. In addition, an interview may be required should there be insufficient information listed regarding experience or the financial statement. To prevent the license from being issued with an uncertain monetary amount or license classification, we may prefer you to meet with a board member.

What is the deadline date to submit an application for the next scheduled board meeting?

Contractor applications must be submitted by the 20th of the month, prior to the Board meeting. The Board meets January, March, May, July, September and November. The Board calendar is located on our website.

What if you need a license prior to the next Board meeting or missed the deadline?

There is a hardship provision to obtain a license prior to the next board meeting or to have the deadline extended. It would be if the contractor has obtained a request from an owner who needs them as a specific contractor to bid, contract, or perform work. The law allows a license to be issued prior to the next board meeting, for hardship circumstances to an owner (not the contractor), where it is in the best interest of the public safety and welfare. Note: The contractor cannot contract, bid or offer until the license has been approved. If the contractor has violated the law, the hardship will not be granted and they must appear for an interview with the Board. After the contractor completes all application requirements, they may have the owner prepare a hardship request letter. More information on obtaining a hardship review is available on the website's "Forms and Download" section. Hardship license approvals must be posted on the website.

If I am a corporation or LLC in another state, will I need to register in Tennessee?

Yes. You would need to contact the Tennessee Secretary of State at (615) 741-2286 or their website at: <http://www.state.tn.us/sos/>

You may obtain forms to register as a foreign corporation or limited liability company and check for name availability. To obtain a tax ID number, contact the Department of Revenue at:
<http://state.tn.us/revenue/business/>

How are electricians licensed?

- A. Electrician licensing requirements vary; depends on the size of the project and the county you plan to work. Electrical work is licensed at various levels in Tennessee; state and locally. See the three (3) types:

State - Contractor

This license is required for electricians performing work in **excess of \$25,000** per project. The CE electrical classification is accepted statewide, and additional exams are not required in each county or municipality. However, you must adhere to their local permit and licensing rules within their jurisdiction and pay local fees. Contractors with a CE are

exempt from the Limited Licensed Electrician (LLE) license, but still required to obtain local license and inspections. Click onto "Contractor" for this information at the website:

<http://tennessee.gov/commerce/boards/contractors/>

State - Limited Licensed Electrician (LLE)

This license is required for electricians performing work **less than \$25,000**, unless they have a local license or a contractor's license with a CE classification. You must check with each local licensing agency for permit and inspection requirements. Some may require you to take their electrical exam, as well as, adhere to their local licensing requirements. The LLE is not accepted where the local jurisdiction has their own licensing and inspections already in place. Click onto "Limited Licensed Electrician (LLE)" on the website at:

<http://tennessee.gov/commerce/boards/contractors/>

Local License (City/County from each municipality)

The local license is required **regardless of the amount of the project**, in all areas where there is a codes office. This type of licensing is referred to as journeyman/master, etc. Every jurisdiction is different, and you must adhere to their local requirements. If you have a state contractors CE license, you will not be required to take their local electrical exam, but will need to pay their fees. Contact information for local government is at:

<http://www.tennesseeanytime.org/local/index.html>

LICENSE EXEMPTIONS

May a homeowner build their own house without a license?

A. Yes. A homeowner is allowed one permit every two years to build their own house and act as their own contractor. If a homeowner hires a contractor, the contractor is required to be licensed and obtain the permit. This law is under TCA 62-6-103 and Rule 0680-1-.22.

A homeowner should never obtain the permit on behalf of the contractor, as this alleviates the contractor from most liability and insurance requirements. In addition, the contracts should not be split in phases to circumvent the law. Anyone who is paid in excess of \$25,000.00 is required to be licensed. Check the "Consumer Resources" on our website for tips and for further information.

Also, make sure the contractor is licensed in the same name as listed on the contract and permit, to prevent the contractor from using someone else's license

to circumvent the law. In addition, check the monetary limit and classification to ensure the contractor is legal to build the type and size project. For residential building, a BC-A or BC classification is needed.

If a contractor joint ventures with another contractor due to not having a big enough monetary limit, make sure both contractors are properly licensed and both are on the contract.

May an owner build their own office without a contractor's license?

No. Anytime a building is open to the public, a commercial contractor's license is required, if the total cost is \$25,000 or more. The project cannot be split into phases/portions to circumvent the law.

BIDDING AND CONTRACTING

Are there specific bidding requirements?

Yes. Bidding requirements are defined in TCA § 62-6-119, which states the contractor must list their name as licensed, license ID#, classification, expiration date, and list the same information for their electrical, plumbing, mechanical or HVAC subcontractors, if those portions exceed \$25,000. Effective July 1, 2008, geothermal HVAC contractors must also list their license information from the Department of Environment and Conservation (TDEC). You may review the law from our website at the "Laws, Rules and Regulations" at the 2008 legislation update).

Is a contractor's license required before bidding?

Yes, a contractor's license is required prior to bidding for projects \$25,000 or more. See TCA 62-6-119-120 for violations of the law, requiring a license to be denied and held.

If a licensed prime contractor, subcontracts to a licensed electrical contractor, may the electrical subcontractor, subcontract to another electrical contractor who is not licensed?

No. All of the electrical subcontractors are required to be licensed, as well as, any subcontractors performing mechanical, plumbing or HVAC projects. In other words, a sub to a sub to a sub, all have to be licensed!

May a contractor bid in another name other than as licensed?

No. Bidding in a name, other than as licensed, is considered unlicensed activity. Even if the contractor owns both companies, they must bid in the name as licensed (the licensed legal entity). Contractors may obtain more than one license should have additional companies separated for bookkeeping or tax reasons. In some cases, their licensed entity could contract with the owner, and subcontract to their entity, unless the subcontract requires a license (as listed above). See TCA 62-6-114 and Rule 0680-1-.25.

LICENSEE RESOURCES

Is the Board's physical address different from the mailing address?

Yes. Our office is located at 710 James Robertson Parkway, on the Third Floor of the Andrew Johnson Tower. All deliveries, mail and fees must be sent to the building next door, which is our mailing address (500 James Robertson Parkway) at the Davy Crockett Tower.

I am a licensed contractor; why haven't I received a roster?

The law was changed in 2001 which no longer requires any of the regulatory boards to print rosters. Due to the expense and lengthy time it takes to print, the roster is usually outdated by the time contractors receive them by mail. In addition, the information can be found on the internet by clicking onto the license roster search for "Contractor" or "Home Improvement" or "Limited Licensed Electrician" or "Limited Licensed Plumber", all of which are regulated by the Contractors Board. Website address for license search is at: <http://licsrch.state.tn.us/>

The roster license search was designed for all regulatory board licensees. In order to effectively search a contractor, enter only part of the name in the "firm" field. All contractors are licensed in the system as firms and organizations, even if they are sole proprietors. Therefore, entering a first or last name in those fields

will not bring up the license information. You may enter part of the name with the percentage sign to bring up all possible names, such as: “Jon%” You may also click onto the profession if you want only contractors’ licenses.

For more in detailed reports, you may click onto “Reports and Data” on the Board’s main website. You will be queued to enter a user name and password, which is given on the site to allow searches for each Board.

As a family business, may the parent allow their son or daughter use the license to contract and perform work?

No. Only the approved entity may utilize the contractor’s license. Family members may be employees of the family business, but they may not start up their own business and use the parent’s license by contracting in their name or an entity they use for their own business.

The approved entity is the one approved by the Board due to fulfilling all the application requirements necessary by law, such as: 1. Providing a financial statement showing sufficient working capital and net worth, in the legal entity’s name and mode of operation; 2. Passed the required exam(s) and supplied experience; and 3. Provided proof of insurance. Therefore, a parent who is licensed as a sole proprietor as “John Jones Construction” would be in violation for allowing anyone to operate as “Jones Brothers Construction”; cannot allow another individual or entity to operate under their license.

The same scenario applies to entities/individuals owning more than one business/subsidiary; they may not use the license for each entity; only for the one entity approved by the Board.

How can a contractor get on the State’s list to bid state government contracts?

You may register as a vendor with the Tennessee Department of General Services and also with the Capitol Projects Division with the Department of Finance and Administration. Their websites are listed on the Board’s website under [“Valuable Resources”](#).

Do all contractors have to be licensed in order to joint venture?

Yes. Please see Rule 0680-1.11. Contractors may contract as a joint venture and combine their monetary limit. The joint venture is not required to obtain a separate license; both license names must be on the contract.

Can a contractor bid in excess of their monetary limit?

Yes; there is a *10% bid tolerance, only.

Prime contractors must be cautious when obtaining bids from subcontractors. § TCA 62-6-120 finds it a violation for a contractor to accept a bid from a subcontractor without the sufficient monetary limit and classification. In addition, only the owner may supply labor/equipment, therefore, could not be deducted from their portion of the project's total cost. Caution is recommended when bidding alternates as part of the total bid. Note: The Attorney General has issued opinions on this matter; February 11, 1993 (#93-12); and August 6, 1981 (#81-452). If a bid is rejected for failing to supply a valid bid due to violating the law, the prime contractor may not be allowed to bid on any rebidding or participate on the project.

*Contractors with a restricted limited license (BC-A/r) classification, with a \$70,000 limit, do NOT have a 10% bid tolerance.

I have a Tennessee license and need to apply for a license in another state. Who should I contact to have the reciprocation/license verification from completed?

You may fax this form to (615) 532-2868; or mail to our office address; or contact the reciprocation section direct at (615) 532-3993; or email at: Brenda.Emmett@tn.gov or also contact Linda Ford at (615) 253-2144 or email her at Linda.Ford@tn.gov More information about other states is at: www.nascla.org

Is there a national association which has information related to contracting regulation for all states?

Yes. The National Association of State Contractor Licensing Agencies (NASCLA) has several resources for contractors wanting to work throughout the United States. Their website is at: www.nascla.org

I have a residential building license and want to get a commercial building license. Do I need to apply for another license?

No. Do not apply for another license; apply for a “revision” to make changes to your license or to add a classification to your current license.

Revisions must be approved by the Board and the deadline date to send is by the end of the month, prior to the next Board meeting. You may apply by completing the appropriate revision forms to: add classifications, increase your monetary limit, change mode of operation (transfer), or change name on a license.

These forms are available from the “Forms and Download” from our website.

A licensee may have classifications added to their license by completing and submitting the revision form with the applicable test score or reciprocity license verification.

May I transfer my license to another company?

No. A license is not transferable to another entity. You would be required to apply for a new license or a second additional license (if you want to keep the other license active).

You may “transfer” or change to a different mode of operation. For example, change from a Sole Proprietor to an LLC. You cannot contract in the new mode until the license has been approved through the revision process. A revision form for changes may be obtained from our website at the Forms and Download section.

Who is in charge of electrical inspections for the LLE license?

The Division of Fire Prevention and there are permit agencies throughout the State. Their website is at: <http://tn.gov/commerce/sfm/>

Are Fire Sprinkler contractors required to be registered in addition to having a contractor's license?

Yes. There are additional requirements for these contractors at: <http://tn.gov/commerce/sfm/>

Are there requirements for Alarm System Contractors?

Yes. These are required to obtain the license with the [Alarm Board](#).

Are there consumer tips on hiring a contractor?

Yes. Please see our main website for all types of [consumer tips](#).

How can you check the complaint history of a contractor?

You must contact our complaint staff listed on the Board's "[Contact Information](#)" on the website.

Open complaints are not listed on the website, unless discipline has been assessed, and these are only after the case is closed. These are listed on our website at "[Disciplinary Actions](#)" for the department. The Division of Consumer Affairs mediates complaints and has a list of "[Problem Contractors](#)". Open cases are not public information until after the investigation is complete. A contractor's license cannot be held due to a complaint received. They are given an opportunity for a formal hearing to be held with an Administrative Judge. More information on the complaints process is on our website at "[Consumer Resources](#)".

The municipal utility (MU-B) for water and sewer systems rules indicate the BC-B (commercial) exam must be taken. What about contractors who held the license prior to the rule change?

Our August, 1997 newsletter actually addressed this issue. Contractors who held a MU-B license classification prior to the rule change of April, 1996, are considered “grandfathered” and may continue to build as before the rule change.

What is “spec” building?

Spec building is when the contractor builds on their own land for the purpose of resale; when there is not a custom contract.

Prior to January, 2003, certain counties allowed the provisions for contractors to build in their county of residence, on their own land, residences for the purpose of resale; no custom contracts. However, legislation was put in place to allow these contractors to obtain a special “spec” homebuilding license, should they apply prior to January 1, 2006. This was pursuant T.C.A. § 62-6-102(D)(i). For example, a licensed spec builder in Brownsville would have a license classification listed as: “Spec Homebuilder – Haywood County”. They may build a house where the cost is \$350,000 or less.

The spec homebuilding license is limited to the contractor’s county of residence, for homes in the amount of \$350,000 or less; and constructed on land owned by the contractor. The contractor licensed as a spec homebuilder may not construct a residence in a county other than as licensed; cannot build on land owned by another individual or entity; and cannot enter into a contract to build for anyone. In addition, a custom contract with anyone to build the home from the ground up would not be considered a spec house and would be a violation of the law.

There is no longer a provision to obtain a new spec homebuilding license. Therefore, once this license expires and not renewed within 12 months, a spec contractor would need to apply for a residential BC-A license by taking the exams and supplying financial statements.

Is it legal for a church to construct their building?

No. For safety and liability reasons, the law does not exempt a church (or any other entity) to build where it is open to the public.

The law states, any person, firm or church would be required to hire a licensed contractor, with the appropriate license classification and monetary limit, in order to construct a building in excess of \$25,000, because it is open to the public, and

not for individual use. A contractor with a commercial (BC-B) classification would be required.

Building for individual use is considered not open to the public, for sale, lease or rent (such as a personal residence, storage or farm building); allows the owner to construct on their own property themselves for these types of structures. (Please see T.C.A. 62-6-103 and Rule 0680-1-.22).

Lead Abatement

Lead abatement remodelers are required to be certified through the Department of Environment and Conservation and may be contacted at 1-888-871-5323 or their web site at: State.TN.US/Environment/swm/leadpaint.

Codes Adoptions

The [Division of Fire Prevention](#) is responsible for adopting building and fire codes.